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Diversified CPC International, Incorporated

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April 12, 2011

Ms. Cynthia Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

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RE: STB Ex Parte No. 705, Competition in the Railroad Industry

Dear Ms. Brown:

The purpose of this letter is to file comments in anticipation of the STB hearing scheduled for June 22, 2011 regarding competition in the railroad industry.

Diversified CPC International, Inc. is a manufacturer of blowing agents for the plastic foam industry, propellants for consumer aerosol products, and various specialty gases, headquartered in Channahon, IL. Diversified CPC has six manufacturing and distribution facilities in North America; all are rail served.

Diversified CPC relies on Class I railroads for inbound shipments of raw materials and to deliver products to customers. Diversified CPC is a responsible customer for the railroads. All of our shipments occur in tank cars so the business the railroads are not required to furnish assets for our business. Also, we respect the need for the railroads to have fluid operations and we have been proactive in planning for efficient management of our fleet. The consulting firm that manages our rail transportation performs annual fleet optimization studies; we have implemented strategies and reduced our rail car fleet by 41%. More important, we have invested millions of dollars in infrastructure to grow business and to increase rail shipments.

Still, Diversified CPC has been a victim of significant rail rate increases that have caused us to lose business. Our raw material suppliers have seen similar increases which impacts our production costs. While we have sourcing options, the preponderance of our rail destinations are captive to one Class I railroad creating rail bottlenecks. There is no question that this lack of competition has resulted in higher rates.

Diversified CPC commends the Board for initiating this proceeding. We look forward to the Board's review of the issues and potential solutions, and we appreciate your consideration of these comments.

Respectfully submitted,

William N. Auriemma, President and CEO

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